



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

COMMONWEALTH ANNUITY AND
LIFE INSURANCE COMPANY,

An Authorized Insurer

No. D06-305

CONSENT ORDER
IMPOSING A FINE

Findings of Fact:

1. At all times pertinent to the matters alleged in this proposed Consent Order, Allmerica Financial Life Insurance and Annuity Company ("Allmerica"), now doing business as Commonwealth Annuity and Life Insurance Company, was authorized to conduct insurance business in Washington State. It issued life and disability insurance.
2. Allmerica filed its calendar year 2004 Annual Statement and supplements with the Office of the Insurance Commissioner ("OIC") on April 21, 2005. However, Allmerica failed to file the paper signature page to the Statement of Non-Guaranteed Elements ("SONGE")
3. Allmerica filed its calendar year 2004 Audited Financial Report with the OIC on July 7, 2005. However, Allmerica failed to file the paper signature page for the Audited Financial Report.
4. Allmerica completed filing its calendar year 2005 Annual Statement and supplements with the OIC on May 12, 2006.
5. To date, Allmerica has failed to file with the OIC the paper signature pages for its calendar year 2005 Audited Financial Report, CPA Qualifications Letter, and CPA Internal Control Report.

Conclusions of Law:

1. Allmerica's failure to timely file its calendar year 2004 Annual Statement and supplements, its calendar year 2004 Audited Financial Report, its calendar year 2005 Annual Statement, and signatures for its 2005 Audited Financial Report, CPA Qualifications Letter, and CPA Internal Control Report constitutes three violations of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

Commonwealth Annuity and Life Insurance Company consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. Commonwealth Annuity and Life Insurance Company consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken by the Insurance Commissioner related to the subject matter of this Order.
2. Within thirty days of the entry of this Order, Commonwealth Annuity and Life Insurance Company will pay to the Insurance Commissioner a fine in the amount of \$1,875 (one thousand eight hundred seventy five dollars).
3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by Commonwealth Annuity and Life Insurance Company, in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 8th day of November, 2006.

COMMONWEALTH ANNUITY AND LIFE INSURANCE COMPANY

By: Michael A. Reardon

Printed Name: Michael A. Reardon

Printed Corporate Title: President & CEO

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. Commonwealth Annuity and Life Insurance Company, is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,875 (one thousand eight hundred seventy five dollars).
2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action

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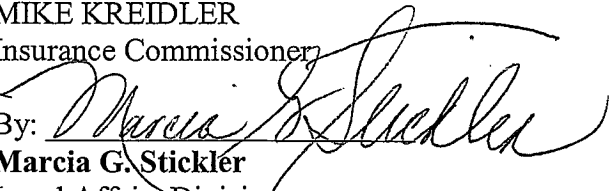
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being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 1st day of December, 2006

MIKE KREIDLER
Insurance Commissioner

By: 
Marcia G. Stickler
Legal Affairs Division